

October 20, 1973

Approved For Release 2004/09/23 : CIA-RDP77M00144R000300130036-9

CONGRESSIONAL RECORD—HOUSE

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Mahon
Martin
Meads
Meyner
Michael
Mikva
Milford
Minish
Moore
Moorhead,
Calif.
Mosher
Moss
Murphy, Ill.
Oby
Patten, N.J.
Patterson,
Calif.

Poage
Preyer
Pritchard
Rallsback
Reuss
Richmond
Rodino
Rosenthal
Rousselot
Roybal
Russo
Ryan
Scheuer
Schneebell
Schroeder
Sebelius
Selberling
Sharp

Shuster
Skubitz
Stark
Steelman
Sullivan
Symms
Thompson
Treen
Tsongas
Ullman
Vander Jagt
Vander Veen
Waxman
Weaver
Wiggins
Wirth
Yates

Whitten
Wilson, Bob
Wilson, Tex.
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Wolff
Wylder
Wylie
Yatron

Young, Alaska
Young, Fla.
Young, Ga.
Young, Tex.

NOT VOTING—55

Anderson, Ill.
Badillo
Bell
Biaggi
Boggs
Bolling
Brodhead
Broomfield
Burton, John
Butler
Clawson, Del
Conlan
Conyers
Duncan, Oreg.
Esch
Evins, Tenn.
Fairy
Flynt
Fraser

Gilman
Goldwater
Gonzalez
Gooding
Harrington
Hébert
Helstoski
Holland
Jenrette
Landrum
Long, La.
Madden
Madigan
Moorhead, Pa.
O'Brien
O'Neill
Pettis
Peyser
Rangel

Rhodes
Roe
Rose
Runnels
Ruppe
Shipley
Sisk
Solaz
Teague
Udall
Van Deerlin
Vanik
Waggonner
Wilson, C. H.
Wright
Zablocki
Zeferetti

NAYS—261

Abdnor
Addabbo
Alexander
Anderson,
Calif.
Andrews, N.C.
Andrews,
N. Dak.
Annunzio
Ashbrook
Bafalis
Baldus
Barrett
Bauman
Beard, R.I.
Beard, Tenn.
Bedell
Bergland
Bevill
Biester
Bingham
Blanchard
Blouin
Boland
Bonker
Bowen
Breux
Brinkley
Brooks
Brown, Calif.
Brown, Mich.
Brown, Ohio
Broyhill
Buchanan
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Byron
Carney
Carr
Carter
Cederberg
Chappell
Chisholm
Clancy
Clausen,
Don H.
Clay
Cleveland
Cochran
Cohen
Conable
Corman
Cornell
Cotter
D'Amours
Daniel, Dan
Daniel, R. W.
Daniels, N.J.
Darlison
Davis
de la Garza
Delaney
Dent
Derrick
Devine
Dickinson
Diggs
Dodd
Downey, N.Y.
Downing, Va.
Duncan, Tenn.
du Pont
Edwards, Ala.
Eilberg
Emery
English
Evans, Ind.
Findley
Fish
Fisher
Fithian
Flood
Flores
Flowers

Ford, Mich.
Ford, Tenn.
Forsythe
Fountain
Frenzel
Frey
Fuqua
Gaydos
Gibbons
Ginn
Grassley
Green
Guver
Hagedorn
Hall
Hamilton
Hammer-
schmidt
Hanley
Harkin
Harris
Harsha
Hawkins
Hays, Ohio
Heckler, Mass.
Hefner
Heinz
Henderson
Hicks
Hightower
Hillis
Hinsaw
Holt
Horton
Howard
Howe
Hubbard
Hughes
Hungate
Ichord
Jacobs
Jeffords
Johnson, Calif.
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Jones, Tenn.
Jordan
Kasten
Kastenmeier
Kazen
Ketchum
Keys
Krebs
LaFalce
Latta
Leggett
Lehman
Lent
Levitas
Littton
Lloyd, Calif.
Lloyd, Tenn.
Long, Md.
Lott
Lujan
McCollister
McCormack
McDade
McEwen
McFall
Mann
Mathis
Matsunaga
Mazzoli
Melcher
Metcalfe
Mezvisky
Miller, Calif.
Miller, Ohio
Mills
Mineta
Mink
Mitchell, Md.
Mitchell, N.Y.

Moakley
Moffett
Mollohan
Montgomery
Morgan
Mottl
Murphy, N.Y.
Murtha
Myers, Ind.
Myers, Pa.
Natcher
Neal
Nedzi
Nichols
Nix
Nolan
Nowak
Oberstar
O'Hara
Ottinger
Passman
Patman, Tex.
Pattison, N.Y.
Pepper
Perkins
Pickle
Pike
Pressler
Price
Quie
Quillen
Randall
Rees
Regula
Riegle
Rinaldo
Risenhoover
Roberts
Robinson
Rogers
Roncallo
Rooney
Rostenkowski
Roush
St Germain
Santini
Sarasin
Sarbanes
Satterfield
Schulze
Shriver
Sikes
Simon
Slack
Smith, Iowa
Smith, Nebr.
Snyder
Spellman
Spence
Staggers
Stanton
J. William
Stanton
James V.
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Sizatron
Stuckey
Studds
Symington
Talcott
Taylor, Mo.
Taylor, N.C.
Thone
Thornton
Traxler
Vigorito
Walsh
Wampler
Whalen
White
Whitehurst

The Clerk announced the following pairs:

Mr. O'Neill with Mr. Shipley.
Mrs. Boggs with Mr. Helstoski.
Mr. Zeferetti with Mr. Brodhead.
Mr. Charles H. Wilson of California with Mr. Conyers.
Mr. Biaggi with Mr. Duncan of Oregon.
Mr. Badillo with Mr. Fraser.
Mr. Rangel with Mr. Esch.
Mr. Sisk with Mr. Anderson of Illinois.
Mr. Hébert with Mr. Gilman.
Mr. Teague with Mr. Goldwater.
Mr. Solaz with Mr. Broomfield.
Mr. John L. Burton with Mr. Gonzalez.
Mr. Evins of Tennessee with Mr. Bell.
Mr. Fairy with Mr. Gooding.
Mr. Flynt with Mr. Holland.
Mr. Waggonner with Mr. Zablocki.
Mr. Vanik with Mr. Butler.
Mr. Roe with Mr. Madigan.
Mr. Jenrette with Mr. O'Brien.
Mr. Long of Louisiana with Mr. Del Clawson.
Mr. Rose with Mrs. Pettis.
Mr. Runnels with Mr. Conlan.
Mr. Van Deerlin with Mr. Peyser.
Mr. Moorhead of Pennsylvania with Mr. Udall.
Mr. Harrington with Mr. Landrum.
Mr. Wright with Mr. Madden.

Messrs. RUSSO, REUSS, Mrs. FENWICK, Mrs. MEYNER, Messrs. WIRTH and PRITCHARD changed their vote from "nay" to "yea."

Messrs. PATTISON of New York, PEPPER, FITHIAN, ROBINSON, RONCALLO, and FOUNTAIN changed their vote from "yea" to "nay."

So the motion to recommit was rejected.

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

GENERAL LEAVE

Mr. WHITE. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks and to include extraneous matter on the bill S. 584.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

PERMISSION FOR SUBCOMMITTEE ON ENERGY RESEARCH, DEVELOPMENT AND DEMONSTRATION (FOSSIL FUELS) TO MEET DURING 5-MINUTE RULE FOR BALANCE OF THIS WEEK

Mr. HECHLER of West Virginia. Mr. Speaker, I ask unanimous consent that the Subcommittee on Energy Research, Development and Demonstration (Fossil Fuels) be permitted to meet during the 5-minute rule tomorrow and the balance of the week.

The SPEAKER pro tempore (Mr. McFALL). Is there objection to the request of the gentleman from West Virginia? There was no objection.

NEO-McCARTHYISM

(Mr. HAYES of Indiana asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HAYES of Indiana. Mr. Speaker, yesterday a New York Times editorial entitled, "Neo-McCarthyism?" attacked the House Select Committee on Intelligence, alleging that it was engaged in attempting to question and harass lower-level State Department officials.

I today insert in the RECORD the September 27, 1975, recorded testimony of Mr. Lawrence Eagleburger, Chief of Personnel at the State Department, wherein that charge was first raised, by innuendo, and its cynical nature made obvious.

Mr. Speaker, I believe that if we do not begin today exposing the cynicism with which the "harrassment" charge was first leveled against the Select Committee on Intelligence—and this job, probably should have begun long ago, in September, when the charge was first raised—we will be subject to continued harassment by a McCarthyism of its own type, only extended by the Secretary of State and not by any Member of Congress.

If the Secretary of State is successful in smearing the select committee as "McCarthyites," the job of the committee will be compromised, its support from thinking people eroded, and there will be continued building of a secret bureaucracy by the Secretary of State himself, who is engaging in a McCarthyism of a most disgusting type.

I only regret that the record of proceedings for the 27th of September cannot reveal the snickering between Mr. Eagleburger and his conferees at the witness table when it was suggested they rehabilitate those run out of the State Department in the 40's and 50's. Otherwise, the record is clear that it is not a principle of confidentiality being protected when middle and lower level State employees are not allowed to testify. Rather, it is a principle that policy can be made by a secret bureaucracy on the certificate of the Secretary of State. Those in the State Department, who would challenge that can be expected to be fired, not by the Congress, but by the Secretary of State.

The material referred to follows:

Chairman PIKE. Mr. Hayes.
Mr. HAYES. Thank you, Mr. Chairman.
Mr. Eagleburger, I think that I would like

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to follow up perhaps more explicitly on Mr. Stanton's line of questioning.

First of all, I am very sensitive to the way you have laid the foundations of what the issue is here, and I don't really want to allow you to run away with the basic premise of today's hearings, and you very carefully, I think, in your testimony are obscuring what the basic issues really are.

You have come here as a defender and as the person who has screwed up the guts of the State Department to protect those middle- and junior-grade officers in the State Department. I want to congratulate you for having finally brought that to the level of attention that it apparently is now getting at State.

Perhaps what you will do is go back and rehabilitate some of those who were abused and run out of the State Department during the debate over China policy, which I think you are making reference to when you talk about the '40's and '50's.

Unfortunately, I hadn't yet reached ten years of age when that was going on, so you can count on me to bring a different kind of tradition down here to the Congress on it.

The fact that I am trying to bring out clearly and very explicitly, and I think I speak for everybody on this Committee, is that in no way is anyone attempting to run the kind of cowboy operation that has been run in Congress before in order to abuse and to ultimately cause the kind of purges that State, itself, saw fit to carry out at those times that you have mentioned here in your testimony.

And the fact is that we are really not, as you say, dealing with the hypothetical issue at all. But I don't think there has been one instance that you can cite or that Mr. Leigh can cite, where this Committee has ever taken it upon itself in the tradition of the McCarthys, the Jenners, and all of those others to attempt to abuse the State Department and to attempt to somehow or other get a string of goats out before the press and before the public and to, in essence, run a purge operation. We are not trying to do that at all.

You complain about your officers being subjected to some degree of public scrutiny. The fact is if you have the level of guts to which you claim you have corporately in the State Department, the fact of the matter is that you are protected by a myriad of laws and a battery of lawyers, and that is why you have those.

That is why you have the appropriation for those things, in order to protect you from the kind of abuse that might flow from that, and I really don't think it is the case of you standing between utter disaster and a purge down at State by this Committee.

That is not the case at all, and that is not our purpose. If I thought it was, I think we would very easily handle it right on the Floor of the House. There are enough people who are sensitive to that issue.

I think we really should clarify that point, and I object most strenuously to the implications that I think are there, and I am not really going to sit around and be engaged in what has in part turned into a political battle here. That is my profession, being a politician, and by God, I will be one, and if we are going to deal on that level, we will go at it on that basis.

Mr. EAGLEBURGER. May I respond?

Mr. HAYES. I would appreciate hearing you respond.

Mr. EAGLEBURGER. Mr. Hayes, there is no implication in my statement that this Committee is performing in the way I described the Department went through in the late '40's and early '50's. That is not, sir, my point.

It is, I think, often true that the defense of a principle which is one we consider valuable and extremely worth protecting often must be protected when the objective facts are not necessarily the strongest that can be made in defense of the principle.

However, sir, the Department of State has had at least one experience which tells us that the principle has to be protected ab initio, and it is our view not that this Committee is intending anything of the sort, but rather when you compromise on the principle, the precedent is established, and it is far harder to defend it thereafter. There is no indication this Committee intends anything of the sort. But we have a principle irrespective of the objective facts I feel obliged to defend.

Mr. HAYES. I hope that that is clarification enough, and I think it is unfortunate that the words can be given that meaning, and I certainly don't consider myself to be any casual observer of testimony, and as I read it, I think there is that clear implication, but I think if we have it clearly understood between us now, out front, perhaps we can go ahead with the debate and move on with it without that kind of cloud being over it. I fear it was there.

Chairman PIKE. The time of the gentleman has expired.

ECONOMETRIC STUDY SHOWS THE JOBS CREATION ACT IS THE FREE ENTERPRISE ALTERNATIVE TO BOTH RECESSION AND INFLATION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 60 minutes.

Mr. KEMP. Mr. Speaker, the Jobs Creation Act is the means to end both the recession and inflation—and it can be done without reliance on inflation-fueling revenue losses and deficit spending.

In the first year alone after its enactment, its provisions would cause a \$151.4 billion jump in the gross national product, would create 7.18 million jobs, would cause \$74.6 billion in capital outlays over what would have otherwise been anticipated, and would generate \$5.2 billion in additional revenue to the Treasury.

In the second year after its enactment, it would cause a \$200.5 billion increase in GNP, \$77.9 billion in additional capital outlays, and \$14.6 billion in additional revenue to the Treasury.

In the third year, it would cause a \$248.9 billion rise in the GNP, \$81.1 billion in additional capital outlays, and \$25.2 billion in additional revenue. In 3 years the cumulative number of new jobs could be over 10 million.

These figures are striking, indeed, they may even be startling. But, that is because in the past 50 years this country

has not relied on the approach embodied in the Jobs Creation Act—of fostering progress and economic growth through production.

The Jobs Creation Act now gives us a renewed opportunity to live up to the promises made to the American people in the Full Employment Act of 1946—a promise of jobs for all Americans. The Jobs Creation Act is real full employment—in productive jobs, tax-generating jobs instead of tax-consuming jobs.

If there were ever any doubts about the consequences of the Jobs Creation Act, those doubts can be dispelled. Solid economic analysis pales the other two major tax reform initiatives before the Nation—the decisions being made by the Committee on Ways and Means and the President's step-in-the-right-direction revenue and expenditure reduction program—into the category of only partial answers to the total problems now facing the economy. The Jobs Creation Act is a major, substantive tax reform proposal based upon those truths which gave the world the steepest and longest period of economic growth in its history.

ECONOMIC EFFECTS OF THE JOBS CREATION ACT

A detailed economic analysis of the effects of the tax reductions provisions of the Jobs Creation Act has been prepared by Norman B. Ture Consultants, Inc., of Washington, D.C.

Dr. Ture's credentials are most impressive. He received his M.A. and Ph.D. from the University of Chicago in economics. From 1951–55, he was on the analysis staff of the U.S. Department of Treasury, and from 1955–61 he was on the staff of the Joint Economic Committee. From 1961–68, Dr. Ture was Director of Tax Studies for the National Bureau of Economic Research, a most prestigious position. From 1968–71 he was a principal at the Planning Research Corp., and he has had his own economic analysis consulting firm since 1971. During this time, he was also a lecturer at the Wharton School of Finance of the University of Pennsylvania and is now adjunct professor of economics at George Washington University.

Dr. Ture's analysis of the Jobs Creation Act shows that the act would not produce a revenue loss. Not only would there be no revenue loss, but the act would so effectively stimulate production that it would produce a revenue gain plus real full employment.

The following summary of the analysis of the economic effects of the Jobs Creation Act shows that each and every tax reduction provision would produce a significant gain in GNP, employment, capital outlays and Federal revenue, even in the first year of enactment. The Jobs Creation Act is a tax reduction bill that will stimulate GNP and employment without the risk of inflation-fueling deficits.

The summary follows: